

NOTICE OF INTENT

Department of Environmental Quality
Office of Air Quality and Radiation Protection
Air Quality Division

Under the authority of the Environmental Quality Act, R.S. 30:2001 et seq., and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the secretary gives notice that rulemaking procedures have been initiated to amend the Air Quality Division regulations, LAC 33:III.2103 (Log #AQ175).

Any internal floating roof storage tank that is used less than two weeks in the calendar year will be exempted from the requirements of LAC 33:III.2103 to install a closure seal, provided that the tank is empty and liquid-free when not in use. The facility shall keep records of the type(s) of volatile organic compounds stored and the length of time stored. Verbal notification to the administrative authority is required in advance, if possible, but no later than 24 hours after the tank starts filling. This proposed rule resulted from a request received from a pipeline terminal for consideration of tanks used for temporary and emergency storage. Tanks that are used less than two weeks of the year produce relatively low annual emissions. The same control measures required for tanks that are used year-round are not justified in this case. The basis and rationale for this proposed rule are to remove compliance requirements that impose an unjustified economic burden for tanks used less than two weeks of the year.

This proposed rule meets the exceptions listed in R.S. 30:2019 (D) (3) and R.S.49:953 (G) (3); therefore, no report regarding environmental/health benefits and social/economic costs is required.

A public hearing will be held on September 24, 1998, at 1:30 p.m. in the Maynard Ketcham Building, Room 326, 7290 Bluebonnet Boulevard, Baton Rouge, LA 70810. Interested persons are invited to attend and submit oral comments on the proposed amendments. Should individuals with a disability need an accommodation in order to participate, contact Patsy Deaville at the address given below or at (504) 765-0399.

All interested persons are invited to submit written comments on the proposed regulations. Commentors should reference this proposed regulation by AQ175. Such comments must be received no later than October 1, 1998, at 4:30 p.m., and should be sent to Patsy Deaville, Investigations and Regulation Development Division, Box 82282, Baton Rouge, LA 70884 or to FAX (504) 765-0486. Copies of this proposed regulation can be purchased at the above referenced address. Contact the Investigations and Regulation Development Division at (504) 765-0399 for pricing information. Check or money order is required in advance for each copy of AQ175.

This proposed regulation is available for inspection at the following DEQ office locations from 8 a.m. until 4:30 p.m.: 7290 Bluebonnet Boulevard, Fourth Floor, Baton Rouge, LA 70810; 804 Thirty-first Street, Monroe, LA 71203; State Office Building, 1525 Fairfield Avenue, Shreveport, LA 71101; 3519 Patrick Street, Lake Charles, LA 70605; 3501 Chateau Boulevard, West Wing, Kenner, LA 70065; 100 Asma Boulevard, Suite 151, Lafayette, LA 70508; or on the Internet at <http://www.deq.state.la.us/olae/irdd/olaeregs.htm>.

Gus Von Bodungen, PE
Assistant Secretary

**Title 33
ENVIRONMENTAL QUALITY
Part III. Air**

Chapter 21. Control of Emission of Organic Compounds

Subchapter A. General

§2103. Storage of Volatile Organic Compounds

* * *

[See Prior Text in A-G.2]

3. existing and new storage tanks in the parishes of Ascension, Calcasieu, East Baton Rouge, Iberville, Livingston, Pointe Coupee, and West Baton Rouge that are used for crude oil or condensate prior to lease custody transfer and that have a nominal storage capacity of less than 420,000 gallons (1,589,900 liters) unless such new tanks are subject to New Source Performance Standards; ~~and~~

4. JP-4 fuels stored in horizontal underground tanks; and

5. any storage tank that is used for less than two weeks in the calendar year is exempt from the requirements of Subsection C.1 of this Section, provided that the tank is empty and liquid-free when not in use.

* * *

[See Prior Text in H-I.4]

5. records of the type(s) of VOC stored and the average monthly true vapor pressure of the stored liquid for any storage vessel with an external floating roof that is exempt from the requirements for a secondary seal and is used to store VOCs with a true vapor pressure greater than 1.0 psia; and

6. records of the type(s) of VOC stored and the length of time stored for any storage tank exempted under Subsection G.5 of this Section. Verbal notification to the administrator is required in advance, if possible, but no later than 24 hours after the tank starts filling.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:2054.

HISTORICAL NOTE: Promulgated by the Department of Environmental Quality, Office of Air Quality and Nuclear Energy, Air Quality Division, LR 13:741 (December 1987), amended LR 15:1065 (December 1989), amended by the Office of Air Quality and Radiation Protection, Air Quality Division, LR 16:27 (January 1990), LR 17:360 (April 1991), LR 18:1121 (October 1992), LR 20:1376 (December 1994), LR 21:1223 (November 1995), repromulgated LR 21:1333 (December 1995), amended LR 22:453 (June 1996), LR 22:1212 (December 1996), LR 24:20 (January 1998), LR 24:***

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

LOG #:AQ175

Person
Preparing
Statement: Betty C. Prindle Dept.: Environmental Quality

Phone: 765-0145 Office: Air Quality

Return
Address: P.O. Box 82135 Rule
Title: Revisions for Temporary and
Baton Rouge, LA 70884 Emergency Use Tanks
(LAC 33:III.2103)

Date Rule
Effective: Upon promulgation.

SUMMARY

(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no costs or savings to state or local governmental units for this proposal.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no effect on revenue collections of state or local governmental units as a result of this proposed rule.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The total savings for regulated facilities is in excess of \$100,000. (This represents a one-time cost for equipment modifications.)

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposal will not have any known effect on competition or employment.

Signature of Agency Head or Designee H. Gordon Monk
LEGISLATIVE FISCAL OFFICER OR DESIGNEE

Gus Von Bodungen, Asst. Secretary
Typed Name and Title of Agency Head or Designee

7/15/98

Date of Signature

LFO 10-05-92

8/5/98

Date of Signature

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

The following information is requested in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberations on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

Any internal floating roof storage tank that is used less than two weeks in the calendar year will be exempted from the requirements of LAC 33:III.2103 to install a closure seal, provided that the tank is empty and liquid-free when not in use. The facility shall keep records of the type(s) of VOC stored and the length of time stored. Verbal notification to the administrative authority is required in advance, if possible, but no later than 24 hours after the tank starts filling.

- B. Summarize the circumstances which require this action. If the action is required by federal regulations, attach a copy of the applicable regulation.

A request for consideration of tanks used for temporary and emergency storage was received from a pipeline terminal. Tanks that are used less than two weeks of the year produce relatively low annual emissions. The same control measures required for tanks that are used year-round are not justified in this case.

- C. Compliance with Act II of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

No. The change will not result in any increase in expenditures.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ Yes. If yes, attach documentation.

(b) _____ No. If no, provide justification as to why this rule change should be published at this time.

This section is not applicable.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED.

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

There is no anticipated increase/decrease in costs to implement this proposal.

COSTS	FY 98-99	FY 99-00	FY 00-01
PERSONAL SERVICES	0	0	0
OPERATING EXPENSES	0	0	0
PROFESSIONAL SERVICES	0	0	0
OTHER CHARGES	0	0	0
EQUIPMENT	0	0	0
TOTAL	0	0	0
MAJOR REPAIR & CONSTR.	0	0	0
POSITIONS (#)	0	0	0

2. Provide a narrative explanation of the costs or savings shown in "A.1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

This section is not applicable.

3. Sources of funding for implementing the proposed rule or rule change.

No additional funding will be required to implement this proposal.

SOURCE	FY 98-99	FY 99-00	FY 00-01
STATE GENERAL FUND	0	0	0
AGENCY SELF-GENERATED	0	0	0
DEDICATED	0	0	0
FEDERAL FUNDS	0	0	0
OTHER (Specify)	0	0	0
TOTAL	0	0	0

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

The Department currently has sufficient funds to implement this proposal.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

No impact on local government is expected as a result of this action.

2. Indicate the sources of funding of the local governmental unit which will be affected by these costs or savings.

This section is not applicable.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS.

A. What increase (decrease) in revenues can be anticipated from the proposed action?
No increase (decrease) in revenues is anticipated from this proposal.

REVENUE INCREASE/DECREASE	FY 98-99	FY 99-00	FY 00-01
STATE GENERAL FUND	0	0	0
AGENCY SELF-GENERATED	0	0	0
RESTRICTED FUNDS*	0	0	0
FEDERAL FUNDS	0	0	0
LOCAL FUNDS	0	0	0
TOTAL	0	0	0

* Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A". Describe all data, assumptions, and methods used in calculating these increases or decreases.

This section is not applicable.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS

- A. What persons or nongovernmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The proposed action will directly affect regulated facilities that have temporary storage tanks subject to LAC 33:III.2103.C. Based on information submitted by Shell Pipeline, the cost of complying with LAC 33:III.2103.C.1 as it is currently written is \$105,000 for three temporary tanks. This is a one-time cost which includes the cost to de-inventory, clean, and modify the internal floating roof seal to install a second wiper seal. Additional facilities may have similar economic benefits.

- B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule change to these groups.

No impact on receipts and/or income is expected to affect these groups.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

No effects on competition and employment are expected as a result of this action.